

Five Truths of Great Partner **Profiling** & **Recruitment**



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INTRODUCTION

The emergence of cloud-based solutions and recurring revenue models have redefined how partners can succeed, and as a result, they have altered their business models. The trend is apparent that all new entrants and 80 percent of historical vendors will offer subscription-based business models. This transformation could lead to a significant void to fill by vendors seeking to identify the right kind of partners to do business with. This eBook presents the five most crucial factors you need to consider in order to profile and recruit partners to drive your business now, and into the future.



Five Truths of Great Partner Profiling & Recruitment

1

You must have the right partners with the right attributes to achieve your sales goals

Create a partner profile

Before you begin recruiting partners, the first thing you need to do is develop an ideal partner profile. This profile will include all of the attributes your “ideal partner” should possess – the attributes you find most essential for selling your products and services. In addition, this profiling methodology assigns quantitative values to core attributes, ensuring the way you value partners and partner candidates is consistent. With this profile, you will have a blueprint for successful partner recruitment and/or tiering and segmentation of your current partner base. Additionally, you'll be able to distinguish the type of attributes and the ranking of the attributes that make partners most successful.



Partner types are changing

Partners that were once an ideal fit to sell your products and services may no longer be viable, as they are unable to adjust to a rapidly changing business and technology environment. Born in the cloud partners serve as a model for the attributes that make partners successful today – but they must also possess the business acumen and demand generation capabilities of traditional partners. Here are top traits shared by successful partners in the new channel:



2

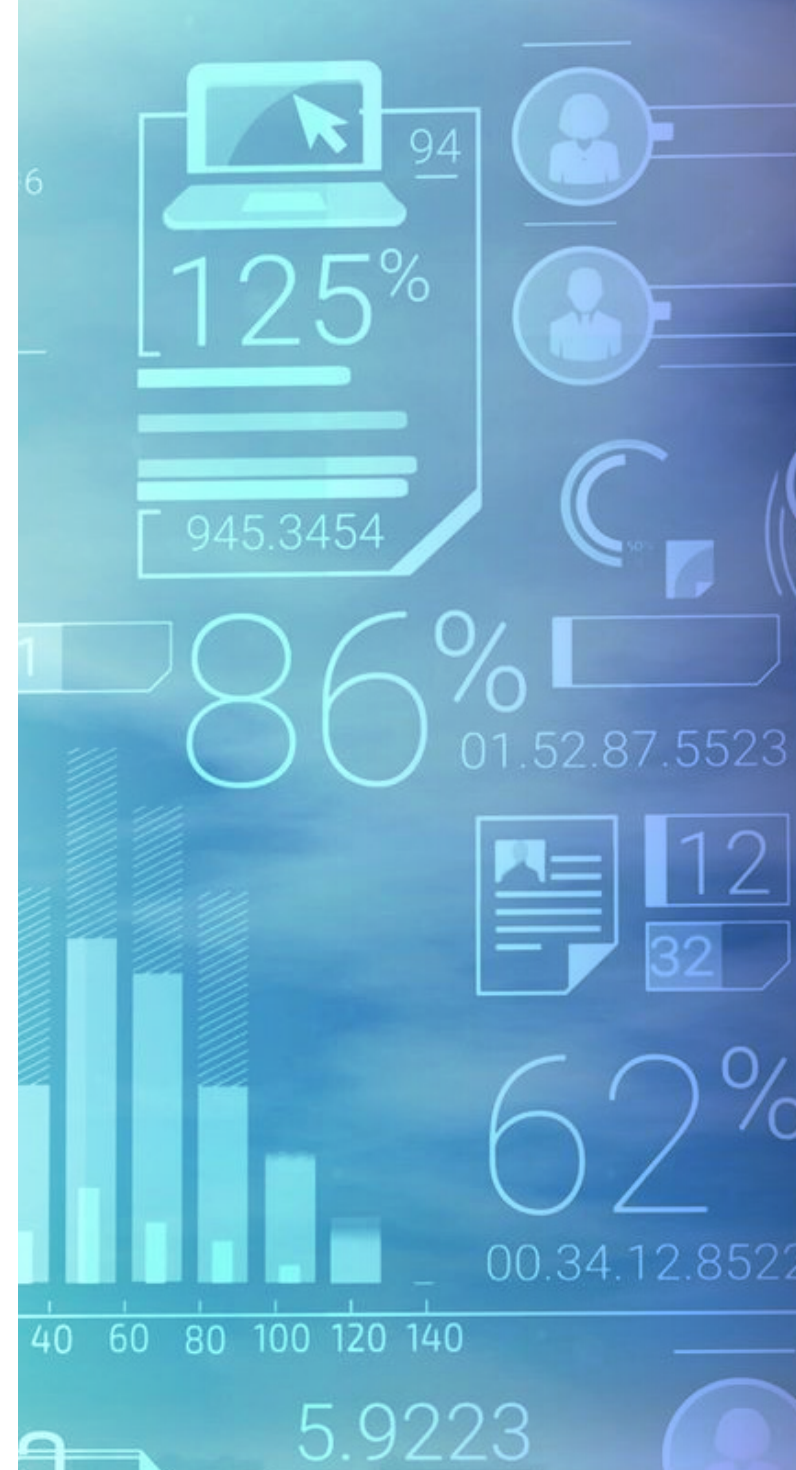
Use a quantitative profiling methodology to rank partners consistently

How to profile & rank

Determine the characteristics upon which partners will be ranked, such as specializations, certifications, vertical market expertise, solutions offered, marketing skills, deal size, sales cycle length, etc. Once you have compiled a list of attributes, assign scores for each of them. Then, total the scores for each partner to determine their overall score. Finally, compare their score to that of your ideal partner. Most partners won't approach your ideal score, so you'll need to determine the minimum threshold of what constitutes a viable partner. Any partner above this line is worth continuing a relationship with. Partners below this line should be disqualified.

Weight for “value” prioritization

Not every attribute is created equal. Some are more important to you than others, and your partner scorecard should reflect this. Attribute value may fluctuate depending upon the target market for particular services, geography or other factors.



The score sheet (and how to use it)

A score sheet enables you to easily collect data and evaluate partners. It features several overall attribute categories comprised of sub-category attributes that when combined, yield a total score for each overarching category. When filling out a score sheet, assign values in descending order of priority for categories within these main areas:

- Core attributes that result in superior performance
- Revenue performance (current partners)
- Vendor “share of wallet” (current partners)
- Market specializations and certifications
- Sales and marketing capabilities and resources
- Attributes signifying the capability to penetrate new markets and acquire new customers
- Vendors and product lines sold and supported

Sub-categories represent the quantitative measurement for each attribute
things like revenue size, share of market, level of certification, etc...

Assess – then reassess

As industry trends shift and your business model and solution offerings change, so too should your scoring and the types of partners you pursue. Partner recruitment, profiling, tiering and segmentation are ongoing and require consistent maintenance to be successful. Unfortunately, you can’t simply create and use a score sheet once – we recommend repeating the partner profiling exercise on an annual or semiannual basis.

3

Guides are vital for a successful profiling team

Guides are often overlooked but they play an important role in ensuring your partners are profiled and ranked in a consistent manner, providing you with accurate data that will influence your investment decisions. Most companies give the responsibility of profiling to Partner Account Managers (PAMs) or Channel Account Managers (CAMs) because they are a dedicated group with in-depth knowledge of partners (and are often one of the only available resources). There are two kinds of guides we recommend:



Profiling guide

Profiling guides explain why you're evaluating partners, the objectives you plan to achieve, and how the exercise will help you reach those goals. It presents attribute definitions and provides a step-by-step process for PAMs/CAMs to follow to accurately evaluate partners.



Administrative guide

These guides are developed with the channel management team in mind, and share how the profiling tool calculates scores, the weighting conventions for attributes and the correct way to interpret the data. This information gives them the knowledge and skills to change attributes and adjust weightings to fine tune the tool for future use.

4

Integrate profiling worksheets with your CRM/PRM platform for a common partner database with key data and attributes

Common partner database

It's likely that all of your partner data, such as revenues, certifications and partner IDs resides in your CRM/PRM database (SFDC, Siebel, SAP, Dynamics, etc.), so why can't your partner attribute and ranking data be found there? A CRM/PRM platform is the perfect environment to store partner profiling data. Once it is entered, you will be able to quickly view and update the most recent attribute scores, as well as segment and tier partners based upon attributes.

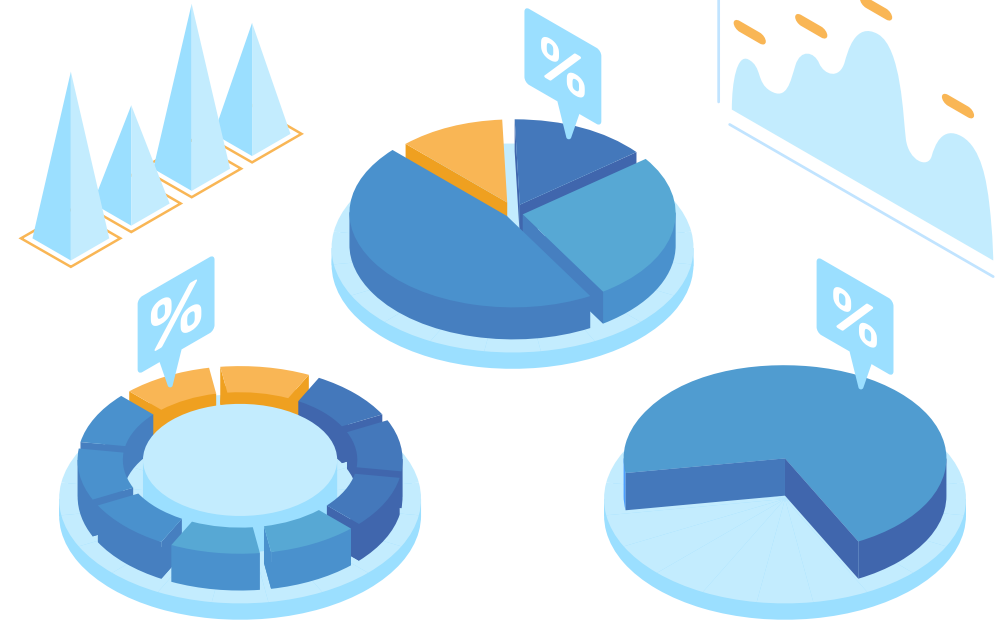


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Profiling bias can deliver subjective data

Your PAMs and CAMs work for you, but they can have subjective views of the partners they work with. Maybe they're trying to boost certain partners, or maybe it's unintentional, but either way it can skew the data you collect.



Why does this happen?

Partner comfort

PAMs/CAMs are familiar with the partners they work with.

Contact relationship

Employees of the partners they work with become their pseudo co-workers, and they don't want to lose them.

Partner loyalty

PAMs/CAMs can feel as though they straddle the line between their company and the partners they manage.

How can you avoid it?

Make favoritism a non-factor by hiding PAMs/CAMs value scores from them. Without knowledge of how the scoring rules work or how certifications and qualifications impact the overall score of attributes, PAMs/CAMs will be unable to (un)intentionally sway partner scores. This will result in unbiased profiling, and an even playing field for all partners.

CONCLUSION

Creating and launching an effective channel strategy is one of the hardest challenges channel strategists face today. Partner types are changing, and with rapid industry changes, vendors are more deliberate and outcome-focused, and it's not as simple as pivoting to a one-size-fits-all approach. They need a flexible, step-by-step model on how to build the best channel strategy and program.

When designing your channel strategy, be sure to keep these tips top of mind:

- Ensure engagement by key people in your organization
- Include your partner's feedback when creating and modifying your program
- Embrace uncertainty
- Fine tune parts of your program as needed



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